

12/19/77 [4]

Folder Citation: Collection: Office of Staff Secretary; Series: Presidential Files; Folder: 12/19/77 [4]; Container 55

To See Complete Finding Aid:

http://www.jimmycarterlibrary.gov/library/findingaids/Staff_Secretary.pdf

Bill Milliken

Welfare reform
Urban policy

mtg @
God's
12/19/77

Mike Dukakis

EETC

Russell

14 yrs
Fathers

Julian Carroll

Energy = DoE is good
Feb mtg on production
Funding on conservation 80
50

Bob Bennett

Farm problems

THE WHITE HOUSE
WASHINGTON

Bert
12-19-77

I 75-

1:30

Telephone

1/20 Clarendon. quail
Ann Chambers

DW Brooks. Bishop Cannon

Abe Beame fundraiser

Electrostatic Copy Made
for Preservation Purposes

Department
of Energy

Information



Office of Public Affairs
Washington, D.C. 20461

THE PRESIDENT HAS SEEN.

FOR IMMEDIATE RELEASE
DECEMBER 19, 1977

C
/

DOE PETROLEUM DEMAND WATCH

Domestic demand for all petroleum products for the 4 weeks ending December 9, 1977, averaged 18 million barrels per day, 7 percent less than the level for the same period in 1976. Demand was 7.8 percent above the 1975 level but 0.1 percent below the level in 1973.

Motor gasoline demand was 1.1 percent below last year's demand, 6.7 percent above the 1975 level, and 6.8 percent above the 1973 level.

Demand for distillate was down 17.2 percent from the 1976 level, up 9.6 percent from 1975, and 7.5 percent below 1973. Residual fuel oil demand was down 13.5 percent from the 1976 level, 11.8 percent above 1975, and 4.8 percent below 1973.

Imports for the 4-week period averaged 7.7 million barrels per day, 6 percent below the 1976 level, 19.6 percent above 1975, and 17.8 percent above 1973. Crude oil imports were 81.9 percent higher than in 1973 with product imports down 43.7 percent from 1973.

Note: DOE defines demand as disappearance from primary supply. This is output from refineries and natural gas processing plants plus imports minus exports plus or minus changes in primary stocks. Primary stocks are those stored in facilities having a capacity over 50,000 barrels. DOE calculations for 1977 are based on weekly data from API, which are later verified by comparison with DOE monthly data. Data for previous years are based on interpolations of Bureau of Mines' monthly data.

-more-

R-77-088

Electrostatic Copy Made
for Preservation Purposes

MEMORANDUM

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

17 December 1977

TO: THE PRESIDENT
FROM: RICK HUTCHESON *RH*
SUBJECT: Memos Not Submitted

1. VERNON WEAVER sent you a status report on SBA's handling of the Farm Crop Drought Disaster in the Southeastern states. SBA has processed and approved 64% of the applications from the region (69% for Georgia), and has made initial disbursements on 50% of the loans for the region (54% for Georgia). All applications should be processed by the end of the year, with initial disbursements on approved loans accomplished by January 13, 1978. ✓
2. STU EIZENSTAT has drafted letters to be sent to the members of the newly-appointed Neighborhood Commission. With your approval, these letters will be signed by the pen. ✓ *sk*
3. SECRETARY KREPS sent you a memo informing you that she plans to defer the White House Conference on Oceans and Coasts to some future date to avoid conflict with the oceans policy PRM and the reorganization study on natural resources and environment. No staff objection received. ✓
4. JIM MCINTYRE sent you a memo on interstate highways and toll roads, in response to your questions at the DOT budget review. Major points:
 - Toll roads are ineligible for Federal-aid highway funding, and, in general, may not be put on the Interstate system. The major exception is that toll roads for which financing was arranged before 1956 may be "grandfathered" into the system. 19 states did this. ✓
 - Kentucky's toll "parkways" were built since 1960, and are not built to Interstate highway standards. ✓
 - Transfers of funds from withdrawn Interstate segments to alternative transit or highway projects are allowed only within the same urban area; transfers to new Interstate segments can occur anywhere in the same state. In either type of transfer, funding is available only at the applicable Federal matching share. ✓

Page Two

- Transfers to alternative transit or highway projects automatically create an appropriation authorization but only marginally reduce Interstate highway funding availability. For transfers made to date, Interstate funding availability has been reduced by about \$1 for every \$8 additionally authorized for substitute ground transportation projects. ✓

THE WHITE HOUSE
WASHINGTON
December 16, 1977

The Vice President
Stu Eizenstat
Jack Watson
Jim McIntyre
Greg Schneiders

The attached is forwarded to
you for your information.

Rick Hutcheson

STATUS REPORT - FARM CROP DROUGHT
DISASTER IN REGION IV

THE WHITE HOUSE
WASHINGTON

<input type="checkbox"/>	FOR STAFFING
<input checked="" type="checkbox"/>	FOR INFORMATION
<input type="checkbox"/>	FROM PRESIDENT'S OUTBOX
<input type="checkbox"/>	LOG IN/TO PRESIDENT TODAY
<input type="checkbox"/>	IMMEDIATE TURNAROUND

(summarized)

ACTION	FYI	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	MONDALE
<input type="checkbox"/>	<input type="checkbox"/>	COSTANZA
<input checked="" type="checkbox"/>	<input type="checkbox"/>	EIZENSTAT
<input type="checkbox"/>	<input type="checkbox"/>	JORDAN
<input type="checkbox"/>	<input type="checkbox"/>	LIPSHUTZ
<input type="checkbox"/>	<input type="checkbox"/>	MOORE
<input type="checkbox"/>	<input type="checkbox"/>	POWELL
<input checked="" type="checkbox"/>	<input type="checkbox"/>	WATSON
<input checked="" type="checkbox"/>	<input type="checkbox"/>	McINTYRE
<input type="checkbox"/>	<input type="checkbox"/>	SCHULTZE

<input type="checkbox"/>	ENROLLED BILL
<input type="checkbox"/>	AGENCY REPORT
<input type="checkbox"/>	CAB DECISION
<input type="checkbox"/>	EXECUTIVE ORDER

Comments due to
Carp/Huron within
48 hours; due to
Staff Secretary
next day

<input type="checkbox"/>	ARAGON
<input type="checkbox"/>	BOURNE
<input type="checkbox"/>	BRZEZINSKI
<input type="checkbox"/>	BUTLER
<input type="checkbox"/>	CARP
<input type="checkbox"/>	H. CARTER
<input type="checkbox"/>	CLOUGH
<input type="checkbox"/>	FALLOWS
<input type="checkbox"/>	FIRST LADY
<input type="checkbox"/>	HARDEN
<input type="checkbox"/>	HUTCHESON
<input type="checkbox"/>	JAGODA
<input type="checkbox"/>	GAMMILL

<input type="checkbox"/>	KRAFT
<input type="checkbox"/>	LINDER
<input type="checkbox"/>	MITCHELL
<input type="checkbox"/>	MOE
<input type="checkbox"/>	PETERSON
<input type="checkbox"/>	PETTIGREW
<input type="checkbox"/>	POSTON
<input type="checkbox"/>	PRESS
<input type="checkbox"/>	SCHLESINGER
<input checked="" type="checkbox"/>	SCHNEIDERS
<input type="checkbox"/>	STRAUSS
<input type="checkbox"/>	VOORDE
<input type="checkbox"/>	WARREN



U.S. GOVERNMENT
SMALL BUSINESS ADMINISTRATION
WASHINGTON, D.C. 20416

OFFICE OF THE ADMINISTRATOR

December 14, 1977

The President
The White House
Washington, D. C. 20500

Dear Mr. President:

This is a status report on our handling of the Farm Crop Drought Disaster in Region IV (the Southeastern States). More than 60 percent of the accepted applications were in Georgia.

The enclosed table shows applications received and progress made in both Georgia and the entire region through December 12, 1977. We have now processed and approved 69 percent of the applications from Georgia and 64 percent from the region. An initial disbursement has been made on 54 percent of the approved loans in Georgia and 50 percent of those in the entire region.

We now have a total of 218 professional and clerical temporary farm disaster personnel working in Georgia and 404 in the entire region. These figures include some 50 employees loaned to us by the Department of Agriculture working in our Georgia offices. At our current rate of production, we anticipate having substantially all applications now on hand processed to approval (or declined in some instances) by December 31, 1977. We expect the initial disbursements on the approved loans to be accomplished by January 13, 1978.

I am pleased to be able to report this progress and the timetable for completing the task. Please be assured that so long as we are in this program area, we will do our best to be both responsive to the disaster victims and responsible to the Administration and the taxpayers.

Respectfully,

A. Vernon Weaver
Administrator

Enclosure

cc: The Honorable James T. McIntyre

WEEKLY DISASTER LOAN ACTIVITY - DROUGHT - REGION IV

REPORT PERIOD - CLOSE OF BUSINESS 12/12/77

ATLANTA

<u>Interviews</u> (# 's)	<u>Applications Accepted</u> (# 's) (\$'s)		<u>Applications Approved</u> (# 's) (\$'s)		<u>Loans Disbursed*</u> (# 's) (\$'s)		<u>Staffing</u> Technical/Clerical		<u>Total</u>
18,024	8,182	\$801,156.8	5,686	\$282,749.0	3,139	\$86,261.9	88	130	218
<u>REGIONAL TOTALS</u>									
31,351	13,155	\$1,145,766.3	8,394	\$425,101.2	4,176	\$125,868.0	191	213	404

NOTE: All dollar amounts are in thousands

*Initial disbursement of 50 percent of amount of loan

THE WHITE HOUSE

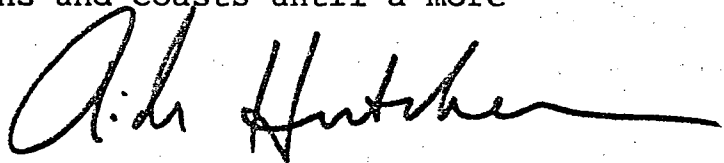
WASHINGTON

19 December 1977

MEMORANDUM FOR
THE HONORABLE JUANITA M. KREPS
Secretary of Commerce

Re: Your Memo of December 16, 1977,
Deferral of White House
Conference on Oceans and Coasts

The President had no objection to deferring the White House Conference on Oceans and Coasts until a more appropriate time.

A handwritten signature in dark ink, appearing to read "Rick Hutcheson", with a long horizontal flourish extending to the right.

Rick Hutcheson
Staff Secretary

THE WHITE HOUSE
WASHINGTON

December 16, 1977

The Vice President
Stu Eizenstat
Jack Watson
Jim McIntyre
Tim Kraft Richard Pettigrew
The attached is forwarded to
you for your information.

Rick Hutcheson

RE: DEFERRING THE WHITE HOUSE
CONFERENCE ON OCEANS AND
COASTS

THE WHITE HOUSE
WASHINGTON

	FOR STAFFING
✓	FOR INFORMATION
	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

(for summary)

ACTION	FYI	
	✓	MONDALE
		COSTANZA
	✓	EIZENSTAT
		JORDAN
		LIPSHUTZ
		MOORE
		POWELL
	✓	WATSON
	✓	McINTYRE
		SCHULTZE

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER
	Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day

	ARAGON
	BOURNE
	BRZEZINSKI
	BUTLER
	CARP
	H. CARTER
	CLOUGH
	FALLOWS
	FIRST LADY
	HARDEN
	HUTCHESON
	JAGODA
	GAMMILL

✓	KRAFT
	LINDER
	MITCHELL
	MOE
	PETERSON
✓	PETTIGREW
	POSTON
	PRESS
	SCHLESINGER
	SCHNEIDERS
	STRAUSS
	VOORDE
	WARREN



THE SECRETARY OF COMMERCE
Washington, D.C. 20230

DEC 16 1977

ACTION

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Deferral of White House Conference on Oceans
and Coasts

In May 1977, you approved in principle that the Department of Commerce initiate planning for a White House Conference on Coastal Issues to be held in the summer of 1978. At the same time, you approved initiation of the Comprehensive Ocean Policy Study (COPS), and this summer the President's Reorganization Project (PRP) announced its Natural Resources/Environment Study, including ocean and coastal issues.

In response to these developments, we expanded the Conference concept to include both ocean and coastal issues. As planning proceeded, the staff became increasingly concerned that the Conference in August, 1978, may conflict with efforts to develop ocean policy and the reorganization study on natural resources and environment. I have reviewed this question, and I now believe that the proper time to hold a White House Conference on Oceans and Coasts will be after these studies and their initial implementation have been completed. At that point a Conference would be a useful vehicle for identifying new directions beyond those generated in 1978. Interested members of Congress have been consulted and agree a postponement would be advisable.

Unless you disapprove, I intend to defer the White House Conference on Oceans and Coasts until a more appropriate time.


Juanita M. Kreps

Approved: _____

Disapproved: _____

THE WHITE HOUSE
WASHINGTON
December 16, 1977

The Vice President
Midge Costanza
Stu Eizenstat
Frank Moore (Les Francis)
Jack Watson

The attached is forwarded to
you for your information.

Rick Hutcheson

RE: INTERSTATE HIGHWAYS

THE WHITE HOUSE
WASHINGTON

	FOR STAFFING
/	FOR INFORMATION
	FROM PRESIDENT'S OUTBOX
/	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

ACTION
FYI

/	MONDALE
/	COSTANZA
/	EIZENSTAT
	JORDAN
	LIPSHUTZ
/	MOORE
	POWELL
/	WATSON
	McINTYRE
	SCHULTZE

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER
	Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day

	ARAGON
	BOURNE
	BRZEZINSKI
	BUTLER
	CARP
	H. CARTER
	CLOUGH
	FALLOWS
	FIRST LADY
	HARDEN
	HUTCHESON
	JAGODA
	GAMMILL

	KRAFT
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	POSTON
	PRESS
	SCHLESINGER
	SCHNEIDERS
	STRAUSS
	VOORDE
	WARREN

THE WHITE HOUSE
WASHINGTON

12/16/77

TO: Rich Hutchinson

For Your Information: _____

For Appropriate Handling: ✓

RDZ
Robert D. Linder



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

DEC 15 1977

MEMORANDUM FOR THE PRESIDENT

FROM: JAMES T. MCINTYRE, JR. *Jim McIntyre*

SUBJECT: Interstate Highways

During the November 22, 1977 Presidential Review of the 1979 Department of Transportation budget, you and the Vice President asked several questions about the circumstances under which tolls are permitted on the Interstate system. Additionally, you asked about Kentucky's toll road system and about so-called "Interstate transfers." The following summarizes the information we have gathered.

Interstate Toll Roads

- Toll roads are ineligible for Federal-aid highway funding, whether from the Interstate, primary, secondary or urban programs.
- Generally speaking, toll roads may not be put on the Interstate system. The most significant exception is the "grandfathering" into the system of toll roads for which financing was arranged prior to 1956, when the highway trust fund was established and special financing of the Interstate system was provided. Toll roads of 19 states were thereby incorporated into the system.

Kentucky Toll Parkway System

- From the early 1960's through 1972, Kentucky built a system of toll "parkways." (See attached map). These state highways receive no Federal-aid highway funding.
- Although the parkways are controlled access roads, they are not built to Interstate highway standards. For example, the median strips are of insufficient width, guardrails are not of required Interstate design, and some segments are only two lane.

- . Principal and interest on the bonds issued to construct these parkways are only partially covered by toll revenues. Kentucky raised its state gas taxes by 2¢ per gallon to subsidize these roads.
- . The roads were built to encourage industrial development rather than to relieve congestion.

Interstate Transfers

- . Transfers of funds from withdrawn Interstate segments to alternative mass transit or primary/secondary/urban highway projects are only allowed for projects which serve the urbanized area which the withdrawn Interstate segment would have served.
- . Under another provision, transfers of funds from cancelled Interstate segments to new Interstate segments can occur anywhere in the same state--for example, from an urban area to a rural area, and vice-versa.
- . In either type of transfer, Federal funding is made available only at the applicable Federal matching share for the substitute project--i.e., 90% for Interstates, 80% for transit, and 70% for non-Interstate highways. (In its legislative proposal, DOT would make all substitute projects eligible for a 90% Federal matching share.)
- . A transfer to alternative transit or highway projects automatically creates an appropriation authorization (with strong pressures for subsequent appropriations) but only marginally reduces Interstate highway funding availability. This is a result of the fact that the substitute project is authorized for the full cost of the withdrawn Interstate segment, whereas Interstate funding availability is reduced by only a fraction of the cost of the withdrawn segment, based on complicated calculations involving states' estimates of the cost of completion of their Interstate segments.
- . For transfers made to date, Interstate funding availability has been reduced by about \$1 for every \$8 additionally authorized for substitute ground transportation projects.

Attachment



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

DEC 15 1977

MEMORANDUM FOR THE PRESIDENT

FROM: JAMES T. MCINTYRE, JR.
SUBJECT: Interstate Highways

During the November 22, 1977 Presidential Review of the 1979 Department of Transportation budget, you and the Vice President asked several questions about the circumstances under which tolls are permitted on the Interstate system. Additionally, you asked about Kentucky's toll road system and about so-called "Interstate transfers." The following summarizes the information we have gathered.

Interstate Toll Roads

- Toll roads are ineligible for Federal-aid highway funding, whether from the Interstate, primary, secondary or urban programs.
- Generally speaking, toll roads may not be put on the Interstate system. The most significant exception is the "grandfathering" into the system of toll roads for which financing was arranged prior to 1956, when the highway trust fund was established and special financing of the Interstate system was provided. Toll roads of 19 states were thereby incorporated into the system.

Kentucky Toll Parkway System

- From the early 1960's through 1972, Kentucky built a system of toll "parkways." (See attached map). These state highways receive no Federal-aid highway funding.
- Although the parkways are controlled access roads, they are not built to Interstate highway standards. For example, the median strips are of insufficient width, guardrails are not of required Interstate design, and some segments are only two lane.

- Principal and interest on the bonds issued to construct these parkways are only partially covered by toll revenues. Kentucky raised its state gas taxes by 2¢ per gallon to subsidize these roads.
- The roads were built to encourage industrial development rather than to relieve congestion.

Interstate Transfers

- Transfers of funds from withdrawn Interstate segments to alternative mass transit or primary/secondary/urban highway projects are only allowed for projects which serve the urbanized area which the withdrawn Interstate segment would have served.
- Under another provision, transfers of funds from cancelled Interstate segments to new Interstate segments can occur anywhere in the same state--for example, from an urban area to a rural area, and vice-versa.
- In either type of transfer, Federal funding is made available only at the applicable Federal matching share for the substitute project--i.e., 90% for Interstates, 80% for transit, and 70% for non-Interstate highways. (In its legislative proposal, DOT would make all substitute projects eligible for a 90% Federal matching share.)
- A transfer to alternative transit or highway projects automatically creates an appropriation authorization (with strong pressures for subsequent appropriations) but only marginally reduces Interstate highway funding availability. This is a result of the fact that the substitute project is authorized for the full cost of the withdrawn Interstate segment, whereas Interstate funding availability is reduced by only a fraction of the cost of the withdrawn segment, based on complicated calculations involving states' estimates of the cost of completion of their Interstate segments.
- For transfers made to date, Interstate funding availability has been reduced by about \$1 for every \$8 additionally authorized for substitute ground transportation projects.

Attachment

cc: The Vice President



HIGHWAY MAP OF KENTUCKY
(highways in yellow are toll roads)

THE PRESIDENT HAS SEEN.

Q /

Mr. President --

My daughter has an appointment Monday morning and I will be late (10:00 or 10:30). Please either hold Secretary Vance's evening report and the NSC Weekly Report along with the day's PDB (and I'll take care of them later)....or have Dr. Brzezinski return for all of them.

Nell Yates will remove any material you have put in the "out box" and give it all to Rick. If there is anything with special instructions/handling, please either put just next to your out box....or on my desk....and I'll take care of when I return.

Thanks -- ssc

**Electrostatic Copy Made
for Preservation Purposes**

THE WHITE HOUSE
WASHINGTON
December 19, 1977

Jack Watson

The attached was returned in the President's
outbox and is forwarded to you for appropriate
handling.

Rick Hutcheson

cc: Bob Lipshutz
Stu Eizenstat

RE: LETTER TO HUNT RE CRIME

From

OFFICE OF THE GOVERNOR

To

Mov't in Bell matter:

(1) red. planing funds (Vrs)
left. - 300 m. ill / go. D.C. (advis)
(2) red. m. plans.

Make crime major issue.

You lead

Work w states:

Help sell.

Make states work.

States lead (unless loc. govt.
over 1 m. ill.)

Use LEAA to get:

Non-hardware changes:

1. Juvenile programs
2. Speedy trials - judges
3. Prostitution
- 4.

THE WHITE HOUSE
WASHINGTON

12-18-77

To Jack Watson

Jim Hunt is chmn of
NGC Committee on crime.
Wants ltr from me to
him requesting that he
work with you & AG
Bell on crime program.

Call him & draft ltr.
for me to sign -

J.C.

Electrostatic Copy Made
for Preservation Purposes

Electrostatic Copy Made
for Preservation Purposes

Governor James B. Hunt, Jr.

Speech for the
North Carolina General Assembly

276
Ltr for J Hunt -
to work in AG
LEAA funds - 50%
Cut '78 to '79
LEAA funds than Gov.

Let those who commit crimes in North Carolina know that henceforth they are marching to the beat of a different drummer. North Carolina's approach to controlling crime has failed. Together -- as Governor, as a General Assembly, as a people -- we must evolve a new plan of direction.

Today, we are the witnesses to a new crime rate that staggers the imagination. The FBI statistics show that North Carolina now has the 5th largest increase in its crime rate. North Carolina is especially vulnerable since crime is increasing more rapidly than ever before in the suburbs and rural areas.

Our prisons are inundated. We have one of the highest, if not the highest, per capita prison populations in the United States. Our penal sanctions are among the most severe in the nation. Since 1970, the percentage of prisoners who are felons has increased substantially.

More young people are committing serious crimes. In 1975, 69 per cent of our total inmate population was under 30 years of age.

North Carolina is not unusual, for crime is not geographically restricted; it is flourishing across the country. But we can be unique in developing a model plan to combat crime. We must be careful not to overpromise. We are not going to "solve" crime; we are not going to wipe it out in North Carolina. But our unfortunate record leads me, as your Governor, to the inescapable conclusion that we must act now to mobilize the full resources of North Carolina -- the police, the sheriffs, the courts, the prisons, the executive branch of government, the General Assembly and, most important, the people of North Carolina.

We must have a comprehensive plan that enables us to move ahead effectively and forcefully in protecting our lives, our homes and our property. I want to ask every North Carolinian tonight to make a commitment to be a part of that mobilization.

I believe it is up to those of us in this chamber, the elected leaders of North Carolina, to take the lead in pulling those resources together, in providing a central direction for what we must do and in establishing clear lines of responsibility for doing it. So let us begin tonight to work together to provide the leadership that this state has been lacking.

Let us first put state government's house in order. Let us make one department responsible for fighting crime and place under it those agencies that are equipped to do the job. I will offer you legislation that, in place of the present Department of Military and Veterans Affairs, will establish a Department of Crime Control, Public Safety and Veterans. I propose that we transfer to this new department the State Highway Patrol, the Alcoholic Beverage Control Enforcement Division, the Governor's Commission on Law and Order, the Law and Order Section, the Criminal Justice Information System Board and the Security and Privacy Board. I propose that the Department retain the Veterans Affairs Commission and the Divisions of Veterans Affairs, Civil Preparedness, Civil Air Patrol and the National Guard.

This redirection and refocusing of our efforts will enable the new department to work with the Attorney General's Office and make sure that we are getting our money's worth out of the agencies of state government that are responsible for fighting crime and protecting the public safety.

I urge your speedy consideration of this proposal. I hope this restructured department can start work on April 1.

BRIEFING PAPER FOR GOVERNOR HUNT FOR DECEMBER 16

From act 200 to 37...
State staff
Expanded request
Not part of plan
re Gov. working
in Bell's name
cut 12%
11/4

PROBLEM ONE: Bell's proposed FY79 Budget for LEAA - Part B planning submitted to White House for \$30,000,000

OBJECTIVE ONE: Receive President Carter's commitment on Friday, December 16 to restore Part B planning to present level of \$50,000,000.

BACKGROUND:

1. LEAA Part B Planning Funds For States (60%) / Regions (40%)

FY1977	Oct.1, 1976 - Sept.30, 1977	\$60,000,000	
FY1978	Oct.1, 1977 - Sept.30, 1978	50,000,000	17% Reduction
FY1979	Oct.1, 1978 - Sept.30, 1979	30,000,000	40% Reduction

FY 1980
Bell's proposed FY1979 budget would be 50% reduction in 2 years.
(The present Act runs through FY1979).

2. NGA Position

17% Reduction was sufficient to shake up LEAA, and stimulate improvement.

40% Proposed reduction would devastate LEAA program in all states and is not acceptable.

3. Bell's Proposed Act to Become Effective FY1980 As It Would Effect North Carolina As An Example

FY1978	<u>Part B Planning</u>	\$1,156,000
	<u>Part C Action</u>	6,382,000
	<u>Part E Corrections</u>	751,000
	<u>Total LEAA Funds</u>	<u>8,289,000</u>
FY1979	<u>Part B Planning</u>	652,400
	<u>Loss of Funds for NC</u>	503,600
		<u>1,156,000</u>

Actual Reduction For N. C.: 44%

Because:

Allocation based on \$250,000 per state (\$14,000,000) and percent of population (2.515%) of remaining funds (\$16,000,000) for \$402,400. Thus, largest states, including North Carolina, would sustain budget cuts above 40%.

FY1980 Maximum Planning Funds \$1,130,700
This assumes FY1980 appropriation identical to FY1978, which is likely, and correct for comparison purposes.
Computation Per Bell's Proposed Act As Follows:

Not done

*States - juvenile program
No state people on
Study Comm.*

PROBLEM TWO: DOJ/AG has not recognized states as an equal partner for resolving problems with LEAA even though Federal Assistance goes to and through states. States have primary responsibility for Criminal Justice Systems and their improvement. As such, DOJ/AG needs to work with National Governors and its new subcommittee on Criminal Justice and Crime Prevention (LEAA).

OBJECTIVE TWO

- (A) Have President call upon Attorney General Bell, etc., to meet with and continue to work with National Governors/ and its Subcommittees on LEAA chaired by Governor Hunt. Just as Califano works with the National Governors' subcommittees on all major issues affecting them, so we ask Attorney General Bell to work with the Hunt Committee on LEAA on all major issues effecting states throughout the next three years.
- (B) The President's Crime Message scheduled for early 1978 should be developed in consultation with Governor Hunt and the NGA Subcommittee on LEAA, so that it can be implemented effectively with the support of 50 Governors.
- (C) Have a mutual agreement between President Carter and Governor Hunt that he, President Carter, is agreeing to the maintenance of Part B Planning at \$50,000,000 for FY79 because of Governor Hunt's December 16 discussion with him, and Governor Hunt's commitment to take a leadership position during the Carter Administration as a special spokesman for the President to work for improvements at LEAA and improvements in the 50 states vis-a-vis the LEAA federal assistance Program. The purpose is to develop a special relationship with President Carter that will be for the next three years, and can be recognized by Attorney General Bell and the governmental and criminal justice community across the country.

and localities to determine for themselves the appropriate mixture of planning and action programs and (ii) provide larger units of local government with a certain allocation of the funds awarded to the State each year by the Federal government.

*now 250,000
(better if 1 mill.)*

3. Administrative Action

In addition to the reorganization and legislative proposals described above, I am also recommending a series of specific administrative actions which would be initiated immediately and which would pave the way for the new National Institute of Justice. These actions would be aimed at reducing overhead in the present LEAA program and focusing resources on programs designed to aid all components of the justice system. Specifically, the administrative actions I am prepared to initiate immediately are the following:

- (a) Integration of LEAA national action programs into a systematic research and development process;
- (b) Reduction in appropriations for Federal support of criminal justice planning at the State and local levels;
- (c) Strengthening the role of local governments in setting their own priorities within the present LEAA program;
- (d) Improved training for State and local officials in new criminal justice program techniques;
- (e) Experimentation with the use of national discretionary grants as incentives for implementing new concepts and programs; and
- (f) Streamlining management processes throughout LEAA.

Each of these proposed actions is described in greater detail in Exhibit D to this memorandum.

If you concur with the program I have outlined, I will begin appropriate consultation with interested parties immediately -- including appropriate members of both the Senate and the House of Representatives --

11:45 AM

~~THE PRESIDENT HAS BEEN~~

THE WHITE HOUSE

WASHINGTON

December 17, 1977

Meeting with Senator Muskie

December 19, 1977

11:45 a.m.

The Oval Office

FROM: STU EIZENSTAT
BERT CARP

Stu

I. PURPOSE

As Chairman of the Senate Budget Committee, Senator Muskie's reaction to our budget, tax and economic proposals will be important both to the initial public perception of our program and its chances for enactment.

In a number of cases last year, the Senator believes that he led controversial efforts for the Administration only to have signals changed without prior consultation.

We are told he feels strongly about the following:

- \$50 rebate -- Muskie believes that he sacrificed the best interests of the Congress' budget process by fighting for an unprecedented third concurrent resolution to permit the rebate and stimulus programs, that he continued to fight for the rebate legislation, and that he was unconsulted about the decision to abandon the rebate.
- Farm Bill -- Muskie fought hard to limit the Farm Bill to the original Administration proposal. He is said to believe that we should have fought harder to keep the bill within the original budget limits.

Electrostatic Copy Made
for Preservation Purposes

- Energy -- Muskie is also said to have been hurt that the Administration did not formally support his efforts, based on the Congressional budget, to eliminate refundable tax credits from the Senate energy tax bill. (He lost 47-30).

Although these are specific concerns which have been raised by his staff, we believe the real problem is simply that the Senator feels under-consulted on key economic and budget questions where he must bear a major burden in Congress.

Third Concurrent Resolution

If the Administration should decide to propose a tax cut with an effective date earlier than October 1, 1979, this would require a third concurrent budget resolution. Senator Muskie is said to strongly object on grounds that if Congress becomes accustomed to third concurrent resolutions in the middle of the fiscal year, then there will be no disciplinary force behind the second resolution which must be adopted before the beginning of each fiscal year. Muskie argues that third resolutions are for changed circumstances and that while the economy is not performing up to the Administration forecast, it is fully in line with the forecast envisioned by the Congress at the time the second budget resolution was adopted.

II. TALKING POINTS

- You appreciate the leadership which Muskie has shown on economic and budget questions, and the willingness he has always shown to cooperate with the Administration on these hard questions.
- This will be a tough year for the Budget. Expenditures for FY 1979 will be in the neighborhood of \$500 billion, and the deficit may well range \$55-\$65 billion (depending on tax decisions). (If the higher end of this range is chosen, the deficit for 1979 may exceed the deficit for FY 1978 -- \$61 billion by Congressional estimates, slightly less by our current estimate.)
- Even so this will be seen as a tight budget -- in defense and in many social program areas.

- You have asked Jim McIntyre and your economic advisers to work closely with Muskie (and Representative Bob Giaimo, his House counterpart) over the next several weeks as final decisions are made.
- As Senator Muskie knows, there is some debate within the Administration on the need for a 3rd Concurrent Resolution for FY 1979 -- to get stimulus into the economy before the election and prevent the appearance of economic stagnation in September and October. You would like Muskie's preliminary views both on the economic need and the impact on Congressional budget procedures, and would make no decision without further consultation with him. Thus, if we wish to begin our tax reduction effective July 1, 1978 or earlier, a Third Concurrent Resolution would be needed for the FY 1978 budget. On the other hand, if we are willing to make October 1, 1978 the effective date of tax reduction, no such resolution would be necessary since this would be the commencement of the FY 1979 budget.

THE WHITE HOUSE
WASHINGTON

December 19, 1977

Susan Clough

The attached was returned in
the President's outbox. It is
forwarded to you for your
information.

Rick Hutcheson

RE: LETTER FROM CRYSTAL --
MEDICAL CARE PROGRAM

THE WHITE HOUSE
WASHINGTON

	FOR STAFFING
	FOR INFORMATION
/	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

ACTION
FYI

	MONDALE
	COSTANZA
	EIZENSTAT
	JORDAN
	LIPSHUTZ
	MOORE
	POWELL
	WATSON
	McINTYRE
	SCHULTZE

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER
	Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day

	ARAGON
	BOURNE
	BRZEZINSKI
	BUTLER
	CARP
	H. CARTER
/	CLOUGH
	FALLOWS
	FIRST LADY
	HARDEN
	HUTCHESON
	JAGODA
	GAMMILL

	KRAFT
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	POSTON
	PRESS
	SCHLESINGER
	SCHNEIDERS
	STRAUSS
	VOORDE
	WARREN

THE WHITE HOUSE
WASHINGTON

although we will be
on the trip...would you
be interested in having
this recorded for your
viewing later?

THE PRESIDENT HAS SEEN.

NBC

National Broadcasting Company, Inc.

Thirty Rockefeller Plaza
New York, N.Y. 10020 212-664-4611

Lester M. Crystal
President
News Division

December 12, 1977

710
J

Dear Friend:

For the eighth time since 1963, NBC News will preempt an entire evening of prime-time television programming to present a sweeping 3-hour examination of medical care in America. The date is Tuesday, January 3 from 8:00 p.m. to 11:00 p.m. (New York time).

The program, "Medicine in America: Life, Death and Dollars" in production since last July, will range over the medical-industrial complex, medical education, unnecessary surgery, malpractice, medical economics, Iatrogenics (medically induced disease or injury), the history of medical care throughout the world, diseases (prevention and treatment) and the new developments in technology and biomedical research.

NBC News has undertaken this vast project for a number of reasons but an outstanding one involves the cost of medical care: if those costs continue to rise at today's rate, by the year 2020 they could equal the gross national product, with no guarantee that the best medical care will be available to all.

It is a subject which I believe merits your interest and I have taken the liberty of calling it to your attention.

Cordially,

Lester M. Crystal

Electrostatic Copy Made
for Preservation Purposes

THE WHITE HOUSE

WASHINGTON

December 19, 1977

To The First International Symposium on Famine Prevention

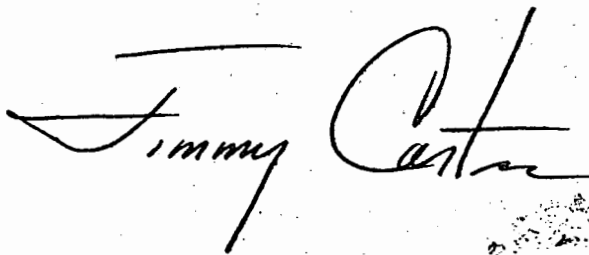
More than one-half billion people throughout the world still suffer from hunger and malnutrition. This first International Symposium on Famine Prevention was called to change that. There has never been partisan division in this country about seeing that people have enough to eat. Senator Humphrey and Congressman Findley co-sponsored the innovative legislation in Title XII of the 1975 Foreign Relations Act. President Ford signed this legislation, known as the Famine Prevention Act, into law, and I strongly support it.

I grew up on a farm and have been a farmer most of my life. I have seen farming transformed by agricultural research and experimentation. The United States has shared its agricultural expertise for a long time, but the Famine Prevention Act goes a step further. It provides support for American universities to work directly with farmers in developing nations, helping them to increase their capacity to feed their own people.

I intend to exercise the authority given me by Congress to increase agricultural assistance and rural development, and to increase food aid to countries that need it now, making sure the food goes to those who need it most. We are establishing grain reserves to help countries which experience crop shortfalls or disasters. A federal task force currently is exploring additional steps we can take to alleviate world hunger and malnutrition. Early next year I will present a specific plan of action. We cannot solve the problem of world hunger alone, but we will do our part.

I welcome you to this country and wish you success in your efforts at this conference. No subject could be more important or appropriate at this season than seeking to free the world's people from hunger.

Sincerely,

A handwritten signature in dark ink, reading "Jimmy Carter". The signature is written in a cursive, flowing style. The first name "Jimmy" is written with a large, sweeping initial "J". The last name "Carter" is written with a large, sweeping initial "C". The signature is positioned below the word "Sincerely," and above a faint, illegible stamp or mark.

Electrostatic Copy Made
for Preservation Purposes

ACTION

Last Day - Tuesday, December 20, 1977

THE WHITE HOUSE

WASHINGTON

December 16, 1977

5/12/1977

MEMORANDUM FOR: THE PRESIDENT
FROM: STU EIZENSTAT *Stu*
SUBJECT: Enrolled Bill S. 305 - Corrupt
Practices and Corporate Disclosure

THE BILL

The enrolled bill would make it a crime for American firms to bribe or attempt to bribe, either directly or through a third party, a foreign official for the purpose of obtaining or retaining business. The penalties for violation of the statute would include a fine of up to \$1 million for the firm involved and a fine of up to \$10,000 or imprisonment of up to five years or both for firm officials who participate in the violations.

The bill would also:

- (1) require those firms which are publicly owned corporations to establish internal accounting controls to ensure the proper recordation of all corporate financial transactions and prevent the use of "off-the-books" devices which have been used to disguise corporate bribes in the past; and
- (2) strengthen the existing requirements for disclosure of the ownership interests of domestic and foreign investors in securities of American corporations.

The bill would not cover "facilitating" payments which are sometimes made to low-level functionaries (such as customs personnel) in order to secure the prompt and proper performance of their official duties. Because of the jurisdictional, enforcement, and diplomatic problems inherent in attempting to reach criminal activity which takes place overseas, the bill would not cover foreign subsidiaries of American companies, provided that if the parent company were to participate directly or indirectly in the prohibited conduct, it (but not the foreign subsidiary) would be liable under the bill.

ARGUMENTS FOR SIGNATURE

This bill should substantially reduce the amount of overseas bribery of foreign public officials by American firms. The bill was supported by the Administration and is in accord with the strong stance you took in the campaign against foreign bribery by American firms.

ARGUMENTS FOR VETO

None.

VOTES IN CONGRESS

The bill passed the Senate by voice vote and the House by a vote of 349 to 0.

AGENCY AND STAFF COMMENTS

All the affected agencies either approve or have no objection to the bill. Frank Moore, Midge Costanza, and I recommend that you sign the bill. Because the bill should be treated as a significant accomplishment, I recommend that you issue the attached signing statement, which has been prepared in coordination with Jim Fallows' shop.

DECISION

☒ Sign S. 305 and issue statement (recommended)
☐ Sign S. 305 without statement
☐ Veto S. 305

Attachment

ok but I
hate to praise
just someone on
the Senate side -
sm, f

J

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE
WASHINGTON

C
1

December 18, 1977

MEMORANDUM FOR THE PRESIDENT
FROM STU EIZENSTAT
SUBJECT EMPLOYMENT PROGRAMS AND THE 1979 BUDGET

This memorandum outlines the current status of employment programs and decisions about them for the fiscal year 1979 budget.

Current Programs:

1. CETA Public Service Employment

With funds from the 1977 stimulus package we are expanding the number of CETA public service jobs from the April 1977 level of 310,000 to 725,000 by March 1978. The end of November buildup totalled 590,000.

There is a good deal of controversy over the effectiveness of this program in reducing unemployment. The Congress amended CETA in 1976 in an effort to reduce the extent of substitution of CETA workers for regular state and local employees. Under the new law, 350,000 of the 450,000 to be hired under the stimulus increase must be (1) low-income and (2) long-term unemployed and will be required to work on time-limited projects, many of them operated by not-for-profit organizations.

The Department of Labor believes that the new legal requirements and Departmental oversight have made a very substantial difference. "Over the last year and a half," Secretary Marshall states in a memorandum to you, "there is no evidence of any substitution." He bases this statement on his calculation that state and local public sector jobs which averaged only 14,000 a month growth in 1976 have increased on average by 52,000 per month over the April to October 1977 period, when 32,000 p.s.e. jobs were being added monthly to state and local public payrolls.

**Electrostatic Copy Made
for Preservation Purposes**

DOL also points out that increases in labor force participation (up by 314,000 from May to October 1977) and of the labor force as a whole, up by nearly 1 million during the period, make it difficult to measure declines in unemployment due to PSE.

It is the consensus of most analysts that the overwhelming majority of the 310,000 PSE jobs on the books in April of 1977 had been integrated into local budgets and planning. OMB believe the erratic month-to-month changes in state and local totals since April 1977 make it impossible to judge to that extent, if any, increases in state and local hiring are attributable to PSE.

2. Youth Employment and Demonstration Projects Act

The Administration requested \$1.5 billion as part of the 1977 stimulus package for an 18 month youth employment program. Congress appropriated \$1 billion in the spring and on August 5th the Act was signed into law. The additional \$500 million was requested from Congress in September as part of a supplemental appropriation, but the request was turned down.

The program began hiring for its Young Adult Conservation Corps program in November. Program activities at the local level with school systems, unions and the private sector are just now getting underway. Outlays in FY 78 will total \$620 million.

3. CETA Training Programs, including on-the-job training, classroom training and work experience programs will cost \$3,257 billion in FY 78 outlays. The percentage of funds going to on-the-job training is increasing, but is still less than a quarter of the enrollments. The weakest link in the CETA training program is its connection with the private sector.

FY 79 Budget Decisions

1. CETA PSE

The initial decision, made at the November 18th review of the DOL budget, was to maintain the level of support for CETA PSE at the 725,000 level expected to be reached in March of 1977 through fiscal year 1979, with the understanding that the CETA extension legislation, which must be enacted this year, will include provisions for phasing down of CETA PSE to the 100,000 level as unemployment declines, and the phase out formula would serve to target the declining number of CETA PSE jobs on those locations with the highest unemployment.

2. Welfare Reform PSE

The initial decision was not to begin the welfare jobs buildup until 12 months before the full implementation of the Better Jobs and Income Program. Assuming the program is implemented in July of 1981, the buildup of new PSE jobs would then be an FY 1980 budget item. However, it is important to demonstrate as soon as possible the administrative feasibility of the minimum wage job concept and therefore funds for a major demonstration effort as part of the FY 79 budget will be sought. OMB is recommending \$200 million in FY 79 for demonstration projects. DOL is appealing for an additional \$230 million.

3. Other Employment and Training

Initial decisions on the non-youth, non-PSE parts of the CETA programs would result in outlays of \$3.7 billion in 1979. There is also a separate \$220 million program for older workers. An attempt will be made in the legislation that extends CETA to achieve greater targetting on those most in need.

4. Youth Employment and Demonstration Projects Act

The initial decision was to seek \$1.1 billion for FY 79 for the Youth Employment and Demonstration Projects Act programs. This would be enough to maintain the programs at the level to which they will build up by the late spring of 1978. DOL requested an expansion to \$1.6 billion. Given the extraordinarily high rates of black youth unemployment and the strong bi-partisan Congressional interest in the problem it is recommended that additional resources be devoted to youth employment through the Private Sector/Youth Initiative.

5. Private Sector/Youth Initiative

DPS, OMB and CEA staff have been leading an interagency effort to develop a private sector/youth initiative for the FY 79 budget at the \$500 million level. The key to the success of this effort will be mobilizing, and providing incentives for private sector participation at the local level with federally funded employment and training programs for poor youth and other disadvantaged people. We are recommending a strategy that includes:

- Presidential leadership to mobilize the business community.
- The establishment of Business Councils at the local level, with federal funds, to act as an intermediary institution between the Employment and Training system and the business community. The councils under contract with the mayor as prime sponsor would publicize the program, seek pledges, arrange for on-the-job training, lift the paper-work burden for participating employers, work with school systems and take whatever other steps are appropriate in their area to bring about the desired closer relationship between services for the disadvantaged and unemployed and permanent unsubsidized jobs.
- A tax credit for hiring and retaining disadvantaged people from the CETA training system, as a substitute for the present, \$2.5b untargetted Employment Tax Credit. The Treasury has difficulties with the concept of a tax credit and especially with the administrative problems with a targeted tax credit.

The Secretary of Labor, in his appeals on the initial budget decisions has agreed with the importance of the private sector initiative and has recommended using \$100 million from the initial decision, plus an additional \$400 millions in net-new budget authority.

You are meeting with the Secretary on his appeal Tuesday morning.

The Private Sector/Youth Initiative was discussed in November as part of the DOL budget review and was also included in the Urban Initiatives package.

6. Labor Intensive Public Works

A labor intensive public works program - or "soft" public works program concentrating on small scale projects -- has a number of advantages over CETA PSE for achieving an immediate temporary job increase. Funds can be better targetted on areas of greatest distress, there is a tangible product and the program is less likely to be included in future budgets.

The disadvantage is the high wage rates necessary if Davis-Bacon wages must be paid, as is the case under the current Local Public Works program. OMB and DPS recommended up to \$1 billion for "soft" public works in FY 79 as part of the Urban Initiative package, with half the jobs going to CETA trainees but only if negotiations with union leadership and relevant committee members indicate flexibility on the wage issue.

Major Employment Programs
(Outlays in millions)

	<u>1977</u> <u>Outlays</u>	<u>1978</u> <u>Outlays</u>	<u>1979</u> <u>Outlays</u>	<u>1980</u> <u>Outlays</u>	<u>1981</u> <u>Outlays</u>
1. CETA PSE.....	2,836	5,735	6,203	4,260	1,340
2. Welfare Reform PSE.....	--	--	--	160	4,125
3. New Youth Programs (YEDPA).....	44	620	1,096	1,159	1,209
4. Other Employment and Training:					
a. CETA.....	2,751	3,257	3,747	3,530	3,661
b. Older Workers.....	<u>72</u>	<u>170</u>	<u>218</u>	<u>224</u>	<u>226</u>
Total.....	5,703	9,782	11,264	9,333	10,561

Pending items:

- Soft Public Works (up to \$1 billion)
- Private Sector/Youth Initiative (up to \$500 million)

THE PRESIDENT HAS SEEN.

2:30 PM

THE WHITE HOUSE

WASHINGTON

December 16, 1977

C
/

MEMORANDUM FOR THE PRESIDENT

FROM: JACK WATSON *Jack*

SUBJECT: Meeting with the National Governors'
Association Leadership
Monday, December 19, 1977
2:30 p.m. Cabinet Room

The Governors requested this time to give you their impressions of our first year in office and to go over their priorities for the next year. The leadership is composed of the executive committee and the standing committee chairmen (list attached).

Background

The Governors are in town for a meeting of the "New Coalition", which includes four representatives from each major state and local public interest group. Their agenda for the day will include a session with Representative Jim Corman and Senator Russell Long to discuss welfare reform. As you will hear in their meeting with you, the Governors are very eager to help us move this legislation through the Congress next year.

I have asked them to arrive at 2:00 p.m. so that I can meet with them for 25 or 30 minutes before you join them.

Format

I shall bring Governor Bill Milliken, Chairman of NGA, to meet you privately just before 2:30 p.m. Bill continues to be fair and very supportive of you in his leadership of the NGA.

Electrostatic Copy Made
for Preservation Purposes

The agenda suggested by the governors would include a brief opening statement by you, a brief opening statement by Bill Milliken, and a discussion of their priority issues for 1978:

- a. Welfare Reform: Steps required to secure enactment of the plan (Dick Kneip).
- b. FY 1979 Budget: Budget priorities; grant consolidation and advanced funding; and specific budget decisions in transportation, criminal justice and other fields (Milt Shapp).
- c. National Urban Policy: The State role (Mike Dukakis). I will be working closely with Mike to develop this part of the urban policy.
- d. Energy: The Governors' role in implementing the national energy plan (Julian Carroll).

NGA has suggested that the energy production meeting be held in conjunction with their mid-winter meeting set for February 26-28, 1978 here in Washington. I think this is a good idea because the meeting could be folded into their agenda and would not require them to come here later for a special energy meeting.

- e. Other NGA Priorities (if time permits): Water policy; energy impact assistance; health care costs and planning.

I have attached a summary of NGA's major issues for 1978, and have noted those which are on the agenda with an asterisk.

Attachment



National Governors' Association

William G. Milliken
Governor of Michigan
Chairman

Stephen B. Farber
Director

EXECUTIVE COMMITTEE

Gov. William G. Milliken, Michigan, Chairman
Gov. Reubin O'D. Askew, Florida
Gov. Robert F. Bennett, Kansas
Gov. Michael S. Dukakis, Massachusetts
Gov. Arthur A. Link, North Dakota
Gov. Mike O'Callaghan, Nevada
Gov. John D. Rockefeller IV, West Virginia
Gov. Robert D. Ray, Iowa
Gov. Richard A. Snelling, Vermont

COMMITTEE CHAIRMEN

Gov. Pierre S. du Pont IV, Delaware
Committee on Community and Economic Development

Gov. Otis R. Bowen, Indiana
Committee on Crime Reduction and Public Safety

Gov. Milton J. Shapp, Pennsylvania
Committee on Executive Management and Fiscal Affairs

Gov. Richard F. Kneip, South Dakota
Committee on Human Resources

Gov. Julian M. Carroll, Kentucky
Committee on Natural Resources and Environmental Management

Gov. George Busbee, Georgia
Committee on Transportation, Commerce and Technology

NGA PRIORITY ISSUES FOR 1978

NGA priority issues for 1978 include the following:

HUMAN RESOURCES

* 1. Welfare Reform. NGA has participated fully in the design of the Administration's basic welfare reform proposal and now supports its enactment. NGA also supports revisions in the Comprehensive Employment and Training Act and the Wagner-Peyser Act to allow smooth implementation of the public service jobs component of welfare reform.

2. Health Policy. NGA supports legislation to contain health care costs and legislation to extend the National Health Planning and Resource Development Act, with modifications.

3. Social Services. NGA supports child welfare services legislation to expand funding under and revise Title IV-B of the Social Security Act. NGA also supports increased funding for Title XX social and child care services.

4. Employment. NGA supports legislation to reimburse states for a portion of the excess unemployment benefit costs incurred during the 1974-75 recession, and legislation to ease the burden on the states of future national economic recessions.

COMMUNITY AND ECONOMIC DEVELOPMENT

* 1. Urban Policy. NGA supports development of a national urban policy with a strong and central role for the states.

2. Growth and Development Policy. NGA supports a strategy for small cities and rural areas to complement the national urban policy. NGA also supports economic development program consolidation. Both issues will arise at the White House Conference on Balanced National Growth and Economic Development, where NGA seeks to assure a meaningful state contribution.

NATURAL RESOURCES AND ENVIRONMENTAL MANAGEMENT

1. Water Policy. NGA supports better coordination among federal agencies with water-related responsibilities and federal assistance to strengthen water policy management capacities of the states. NGA opposes potential federal intrusion into state water allocation and management prerogatives.

2. Impact Assistance. NGA supports generic energy impact assistance legislation to help "boom town" communities cope with expanded energy development.

3. Facility Siting. NGA supports legislation to provide a significant state role in the siting of nuclear and other energy facilities.

4. Comprehensive Energy Management. NGA supports the consolidation of existing federally-supported energy conservation programs into a single comprehensive energy management program designed to build capacity at the state level. The comprehensive program should encourage states to take on added responsibilities in the areas of resource development planning, policy development, and comprehensive energy management.

EXECUTIVE MANAGEMENT AND FISCAL AFFAIRS

1. Counter-cyclical program. NGA supports reauthorization of anti-recession fiscal assistance to state and local governments which meet the program's criteria.

*2. Federal budget priorities. NGA supports implementation of the NGA Federal Budget Priorities report, particularly its proposals for further grant consolidation and advanced funding. NGA also supports full implementation of the President's directives of September 9 to reduce federal red tape.

TRANSPORTATION, COMMERCE AND TECHNOLOGY

1. Transportation legislation. NGA supports renewal of legislation providing federal-aid for highways and public transportation. NGA priorities include completion of the Interstate system, reduction in the planning and funding categories, assistance for bridge replacement and rehabilitation, and development of a funding source for public transit. NGA opposes a tentative DOT proposal to bypass the states for planning and construction funds in large metropolitan areas.

CRIMINAL JUSTICE AND PUBLIC PROTECTION

1. Law enforcement. NGA supports the continuation of block grant funding for criminal justice programs through the Law Enforcement Assistance Administration and the state planning process in any reorganization of LEAA. NGA also supports at least the current funding level of \$50 million to assist state criminal justice planning.

THE WHITE HOUSE
WASHINGTON
December 19, 1977

Jack Watson

The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson

cc: The Vice President
Stu Eizenstat
Tim Kraft
Fran Voorde

RE: WHITE HOUSE CONFERENCE ON
BALANCED NATIONAL GROWTH AND
ECONOMIC DEVELOPMENT

THE WHITE HOUSE
WASHINGTON

	FOR STAFFING
	FOR INFORMATION
/	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

ACTION	FYI	
	/	MONDALE
		COSTANZA
/		EIZENSTAT
		JORDAN
		LIPSHUTZ
		MOORE
		POWELL
/		WATSON
		McINTYRE
		SCHULTZE

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER
Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day	

	ARAGON
	BOURNE
	BRZEZINSKI
	BUTLER
	CARP
	H. CARTER
	CLOUGH
	FALLOWS
	FIRST LADY
	HARDEN
	HUTCHESON
	JAGODA
	GAMMILL

/	KRAFT
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	POSTON
	PRESS
	SCHLESINGER
	SCHNEIDERS
	STRAUSS
/	VOORDE
	WARREN

THE WHITE HOUSE
WASHINGTON

12/13/77

Mr. President:

Tim Kraft had no comment.

Rick

Electrostatic Copy Made
for Preservation Purposes

THE PRESIDENT HAS SEEN

THE WHITE HOUSE
WASHINGTON

9/

MEMORANDUM TO: THE PRESIDENT

FROM:

Jack Watson
Jane Frank

Jack

December 12, 1977

RE:

Status Report on White House Conference
on Balanced National Growth and Economic
Development, January 29 - February 2,
1978, in Washington, D.C.

Plans for the Conference are going well; the following is a brief status report on preparations for the meeting.

1. A full-time staff hired by Commerce has been working since spring designing and setting up the Conference. (You designated Commerce as the lead agency.) In the last two months, Jane Frank and Lynn Daft have worked as White House coordinators to ensure that:

- the substantive dimensions of the Conference were consistent with Administration policy and priorities;
- the format and style of the Conference were appropriate;
- the advisory committee, keynote speakers and other participants reflected broadly diverse interests, regions and talent.

2. Background. Congress authorized the White House Conference in 1976 and subsequently appropriated \$1.5 million over two years. The legislation provides that a 15-member advisory committee, five members coming from business, shall be established, and that the deliberations of the Conference, as well as the activities of states and other public interest groups prior to the Conference will form the basis of a report to the President. The report is intended to offer guidance on how the challenges of national growth and development can best be met.

3. Format. 500 people, three-fourths of them selected by the Governors and one-fourth selected at-large, have been invited to participate in the Conference. In addition, all of the Governors and Members of Congress are receiving special invitations. The participants will meet in general sessions to hear from and to question leading figures from business, labor, state and local government, and others on the Conference themes. In addition to the general sessions, the Conference will be structured in a workshop format (four workshops within each of the six theme areas) to ensure that each participant will have ample opportunity to contribute his or her views and expertise. There will also be an opportunity for members of the public to testify before a hearing panel composed of advisory committee members, White House staff and possibly several Members of Congress.

On the last morning, a spokesperson for each theme will be prepared to summarize for you the principal points of the discussions in the workshops. Verbatim transcripts will be kept of the entire proceedings and will be used in preparing the final report for you.

4. Major themes. The six themes of the Conference are:

- ° Strengthening local economies--how do we improve our economic development policies with respect to cities, suburbs, metropolitan and non-metropolitan areas;
- ° Jobs--how can we deal most effectively with the problems of chronic unemployment and under-employment;
- ° Fiscal problems of governments;
- ° The geography of growth--how should we define the public sector role in affecting the location of economic activity and population settlement;
- ° Managing growth--how can we establish better processes for anticipating and responding to change in ways which minimize adverse consequences;
- ° Streamlining government.

We have met with all of the interested government agencies to assure that discussions on these themes will take account of and be consistent with ongoing Administration efforts.

5. Key participants: You have approved an advisory committee chaired by Governor Jay Rockefeller and composed of a broadly-representative group of public and private leaders. (~~See attached list.~~) The FBI has not yet completed name-checks, but the list should be announced before Christmas. Jay will convene a one-day meeting in Washington in early January, and the advisory committee will participate in the Conference and play a follow-up role.

We made personal telephone calls on your behalf to line up an impressive list of speakers for the plenary sessions. Henry Ford and Mo Udall will discuss the trade-offs in the environment/growth question. Vernon Jordan and Reginald Jones will discuss structural unemployment. Governor Mike Dukakis and San Antonio Mayor Lila Cockrell will discuss the fiscal problems of local governments. Senator Pat Moynihan and Governor George Busbee will debate regionalism issues, including the different concerns of sunbelt and snowbelt areas.

6. Your involvement. In September, I asked Tim and Fran to save time on your schedule for Thursday morning, February 2. Now that the agenda for the Conference is set, I want to reiterate my request for two hours of your time, from 10:00 to 12:00 noon, Thursday, February 2, to receive the reports of the various workshops; to deliver brief remarks; and, at your option, to answer questions from the assembled participants. The format is virtually identical to that of the very successful Governors' conference on energy held here last summer. Everyone involved agrees that your participation at your own White House Conference is crucial, and that this format will work well.

We have asked the Vice President to open the Conference on Sunday night, January 29. Juanita will also speak that evening, and we are asking Bob Bergland and Pat Harris, as heads of the other two agencies referenced in the legislation, to host lunches on Monday, January 30, and Wednesday, February 1. We have purposefully not invited a lot of

federal government representatives, on the theory that this is a citizens' conference in which representatives from outside Washington will discuss with each other, and then with you the crucial issues involved in balanced national growth.

Agree to participate from
10:00 - 12:00 noon, Thursday
February 2

Yes ☒ No ☐

Approve proposed format

Yes ☒ No ☐

See me

Yes ☐ No ☐



**Electrostatic Copy Made
for Preservation Purposes**

THE WHITE HOUSE
WASHINGTON
December 13, 1977

The Vice President
Stu Eizenstat
Tim Kraft

The attached is forwarded to
you for your information.

Rick Hutcheson

RE: STATUS REPORT ON WHITE HOUSE
CONFERENCE ON BALANCED
NATIONAL GROWTH AND ECONOMIC
DEVELOPMENT

THE WHITE HOUSE
WASHINGTON

	FOR STAFFING
/	FOR INFORMATION
	FROM PRESIDENT'S OUTBOX
/	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND

ACTION
FYI

/	MONDALE
	COSTANZA
/	EIZENSTAT
	JORDAN
	LIPSHUTZ
	MOORE
	POWELL
	WATSON
	McINTYRE
	SCHULTZE

*VIA T/K
(give me T/K's copy)*

	ENROLLED BILL
	AGENCY REPORT
	CAB DECISION
	EXECUTIVE ORDER
	Comments due to Carp/Huron within 48 hours; due to Staff Secretary next day

	ARAGON
	BOURNE
	BRZEZINSKI
	BUTLER
	CARP
	H. CARTER
	CLOUGH
	FALLOWS
	FIRST LADY
	HARDEN
	HUTCHESON
	JAGODA
	GAMMILL

/	KRAFT
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	POSTON
	PRESS
	SCHLESINGER
	SCHNEIDERS
	STRAUSS
	VOORDE
	WARREN